



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

June 21, 2000

TO: Minerals File

FROM: D. Wayne Hedberg, Permit Supervisor *DWH*

RE: Documentation of Conference Call, North Lily Mining Company, Tintic Project, M/023/007, Juab County, Utah

Date of Call/Meeting: June 13, 2000  
Location: Division Offices  
Time of Call/Meeting: 9:00 - 10:15 a.m.  
Participants: Steven Flechner, Gene Webb & Walt Shubert - North Lily Mining Company;  
Mary Ann Wright, Wayne Hedberg, and Doug Jensen - DOGM; and Beth Wondimu - DWQ

*Purpose of Call/Meeting:* The purpose of this conference call was to document the progress that has been made to date at the Tintic Project site in terms of closure and final reclamation of the heap and de-watering of the ponds.

On June 13, 2000, a conference call was held between the representatives identified above to discuss the progress to date regarding dewatering of the process water ponds and closure/reclamation of the project site. Mr. Shubert gave a report on what has been accomplished which is summarized as follows:

- 190 gpm of solution is presently being applied to the heap by the mister system, believes that evaporation rate at 30% to 40%;
- an estimated flow @65 gpm returning to the preg pond as return flow (a portion of the solution being applied to the heap believed to be held as a part of heap solution inventory);
- preg pond has 3 feet or less of solution volume remaining, barren and overflow ponds are almost dry;
- housing around sump pump has cracked causing cavitation, Elwin will try to repair the pump. Walt felt that little recharge to the preg pond leak detection sump is occurring;
- may install a spray/mister manifold line in the overflow pond now that DWQ has OK'd proposal until July 30<sup>th</sup> for use of this pond;
- have expended all of allotted monies to date, need additional funds to continue with closure activities;
- may move spray/mister line further up onto the heap to take advantage of higher evaporation rates because of the prevailing winds (Doug's suggestion);

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- will schedule backhoe work to complete repair/replacement of the ADS underdrain pipe in the solution conveyance ditches and the soil trenching as soon as additional monies are allocated;
- Walt will contact Bob Bayer to discuss JBR's proposed plans and the anticipated installation date for the flume/weir which will monitor return flow from the heap to the preg pond;
- Walt will also discuss the scheduling of the preg pond liner with Bob. This scheduled item was delayed due to lack of funds. The completion date will need to be changed on the revised schedule.

Mr. Flechner stated that they hoped to have additional funds available for distribution by this Friday (June 16<sup>th</sup>) or no later than Monday or Tuesday of next week. Monies are being managed by JBR Consultants for this project.

We discussed the existing schedule and our concerns that some of the dates for completion of certain items were slipping. We stated that we were very concerned that the major tasks stay on track as we do not want the site to go through another winter without closure and reclamation. Mary Ann and Doug suggested that we make a few modifications to the Reclamation/Closure Implementation Plan schedule by adding in a July 11<sup>th</sup> conference call and the reinstallation of the ADS underdrain line, trackhoe scheduling, ditch repair, and flume placement.

DOGM and DWQ asked for copies of the daily/weekly logs being kept at the site which document pumping rates/volumes of solution removed from the preg pond leak detection sump. North Lily committed to fax us copies of the weekly summaries. Mr. Flechner also stated he would have Bob Bayer of JBR send us a revised schedule sometime next week.

Mr. Shubert asked if we had any luck following up on possible disposal options for the unused cyanide and caustic soda that remained at the site. We informed him that we were still investigating this matter and would advise him of our findings as soon as possible. Mr. Webb and Mr. Flechner asked about the possibility of our authorization to release the interest (approx. \$30,000??) that has accumulated under the existing Certificate of Deposit held for reclamation of this site. We expressed our hesitancy at this time due to the questionable nature of the present closure and reclamation costs that may be associated with this site. However, we agreed to look into this matter and get an answer back to them as soon as possible. *Subsequent investigations into this matter and discussions with counsel have indicated that any interest earned on the reclamation surety (Certificate of Deposit) above what is calculated and required by the Division to reclaim the site, is available to the operator and can be released if the operator submits a request to the bank to do so.*

We ended the conference call all agreeing that these discussions were very helpful and that we would continue with same on a monthly basis for the time being

jb

cc: Steve Flechner, NLMC  
Bob Bayer, JBR  
Beth Wondimu, DWQ  
Mary Ann Wright,  
Doug Jensen  
Tom Munson